September 12, 1988

TO:

File

FROM:

Scott Johnson Juli

RE:

Interstate Brick Properties, Montello, M/003/004,

Koosharem, M/031/002, Cottonwood, M/035/003, Five Mile, M/045/006, Smokey Joe, M/049/002, Black, M/049/003, Powell,

M/049/004, and Jim Gay, M/049/005

I spoke with Gary Liston of Mountain Fuel today concerning the bonding of the Powell Pit (M/049/004). Apparently Questar, the parent company of Interstate Brick, is trying to sell Interstate Brick. In the meantime, all bonding has been put on hold from Mountain Fuel.

I explained to Mr. Liston that we need a reclamation surety regardless of their future plans for Interstate. He will get back with us during the next few days to discuss bonding arrangements.

Also, Mr. Liston mentioned that when they tried to increase the bond for the Powell Pit (see attachment), the Surety Company, United Pacific Insurance Company, stated they do not want to be tied down to a non-cancelable bond.

Attached is a summary of the Interstate Brick Company properties and surety arrangements.

jb

cc: Lowell Braxton Wayne Hedberg

Holland Shepherd

L17/12